

## Message Text

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PAGE 01 STATE 256656  
ORIGIN OPIC-06

INFO OCT-01 ARA-14 ISO-00 EB-08 L-03 EUR-12 /044 R

DRAFTED BY OPIC/P:EABURTON:JMB  
APPROVED BY EB/IFD/OIA:MPBOERNER  
OPIC/ID/LA:JG (DRAFT)  
OPIC/GC:LSWESIENFELD(DRAFT)  
OPIC/D:RSSMITH (DRAFT)  
EB/IFD/OIA:DGRANT  
L/EB:D WOODS  
ARA/CAR:D PIERCE  
-----047162 271457Z /42

R 262202Z OCT 77  
FM SECSTATE WASHDC  
TO AMEMBASSY PARAMARIBO

UNCLAS STATE 256656

FROM OPIC

E.O. 11652: N/A

TAGS:EINV

SUBJECT: OPIC INVESTMENT INCENTIVE AGREEMENT

REFS: (A) STATE A-1863; (B) PARAMARIBO 0415;  
(C) STATE 229108

1. BACKGROUND: REFTEL (A) INSTRUCTED THE EMB TO APPROACH THE GOS FOR THE PURPOSE OF NEGOTIATING AN OPIC INVESTMENT INCENTIVE AGREEMENT TO INSTITUTE OPIC PROGRAMS IN SURINAM. THE EMB RESPONDED WITH QUERIES REFTEL B ON THE STATUS OF OPIC'S PROGRAMS IN SURINAM AND PREVIOUS BILATERAL UNDERSTANDINGS. OPIC DELAYED RESPONDING TO EMB'S QUERIES IN VIEW OF FACT THAT OPIC'S COUNTRY COVERAGE WAS U4DERGOING UNCLASSIFIED

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AN EXTENSIVE INTERAGENCIES REVIEW. THIS REVIEW HAS NOW BEEN COMPLETED AND THE EMB ADVISED ACCORDINGLY REFTEL (C).

2. THE FOLLOWING STATEMENTS ARE IN RESPONSE TO EMBS QUERIES RAISED REFTEL (B):

-- A) STATUS OF SURINAM AS NETH DEPENDENCY: THE USG HAD

AN AGREEMENT WITH THE METROPOLE DATING BACK TO 1948/52 WHICH HAD BEEN EXTENDED TO SURINAM AND NETH ANTILLES. OPIC INSURANCE AGAINST INCONVERTIBILITY AND EXPROPRIATION WERE AVAILABLE FOR THESE AREAS PRIOR TO INDEPENDENCE AND SEVERAL INSURANCE CONTRACTS ISSUED. THE NETH AGREEMENT

IS NO LONGER VALID WITH RESPECT TO SURINAM SINCE INDEPENDENCE.

-- B) THE TEXT OF THE 1948/52 AGREEMENT WITH THE NETHERLANDS IS VERY OUTMODED AND COULD NOT BE UTILIZED TO INSTITUTE THE CURRENT USG INVESTMENT INCENTIVE PROGRAMS, WHICH HAVE BEEN ADMINISTERED BY OPIC SINCE 1971. THE PHILOSOPHY AND COVERAGE OFFERED BY CURRENT OPIC PROGRAMS ARE MORE EXTENSIVE AND WOULD BE AVAILABLE FOR ELIGIBLE INVESTMENTS IN SURINAM UNDER THE PROPOSED OPIC AGREEMENT.

-- C) THE PROPOSED AGREEMENT WOULD PROVIDE FULL OPERATION TO OPIC INSURANCE AND FINANCING FOR ELIGIBLE INVESTMENTS IN SURINAM. EMB IS REFERRED TO BROCHURES AND BACKGROUND DATA PREVIOUSLY POUCHED FOR FULL DESCRIPTION OF OPIC PROGRAMS. ADDITIONAL COPIES BEING POUCHED.

-- D) OPIC AGREEMENTS HAVE BEEN CONCLUDED WITH OVER 90 LDC'S. OPIC SEEKS TO OFFER THESE PROGRAMS TO ALL FRIENDLY, NEWLY INDEPENDENT COUNTRIES WITHIN A REASONABLE UNCLASSIFIED

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PERIOD OF TIME AFTER INDEPENDENCE. EMB REFERRED TO OPIC "COUNTRY LIST" FOR INFORMATION ON COUNTRY PROGRAMS.

3. REFTEL (C) STATE 229108 HAS ADVISED THE EMB THAT AS THE RESULT OF RECENT INTER-AGENCY REVIEW AND APPROVAL BY THE OPIC BOARD OF DIRECTORS, OPIC PROGRAMS WILL BE RESTRICTED TO CERTAIN TYPES OF INVESTMENTS IN COUNTRIES WHERE THE PER CAPITA GNP EXCEEDS 1,000 IN 1975 DOLLARS, INCLUDING SURINAM. THE EMB IS REFERRED TO REFTEL (C) FOR FULL INFORMATION ON THIS SUBJECT.

4. ACTION REQUESTED. EMB IS URGED TO PROCEED ASAP AFTER FORMATION OF THE NEW GOVERNMENT FOLLOWING THE OCTOBER 31 ELECTION TO INITIATE NEGOTIATIONS WITH THE GOS FOR AN OPIC INVESTMENT INCENTIVE AGREEMENT PURSUANT TO THE TEXT PROVIDED BY STATE A-1863. BY CONCLUDING THE AGREEMENT, OPIC PROGRAMS WILL BE MADE AVAILABLE FOR ELIGIBLE INVESTMENT IN SURINAM. THE AGREEMENT HAS RECEIVED APPROPRIATE

CIRC. 175 CLEARANCE AND THE EMB HAS FULL AUTHORIZATION TO CONCLUDE THE PROPOSED AGREEMENT ON THE BASIS OF THIS APPROVED TEXT. VANCE

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## Message Attributes

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**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009